

Christopher D. Lee (SBN 310042)
L.A. COMMERCIAL ATTORNEY, APLC
134 E. Valley Blvd.
Alhambra, CA 91801
Tel: 626-782-7383 /Fax: 626-782-7342
Email: christopher@lacommerciallaw.com

Attorneys for Defendant
ELIZABETH YUNHONG ZOU

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ACCU CASTING CO. INC., a
California corporation,

Plaintiff,

v.

ELIZABETH YUNHONG ZOU, an
individual; ICEMC, INC., a California
corporation; CITIBANK, N.A., a
National Banking Association; TD
AMERITRADE, a Delaware
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No. 2:22-cv-05377 MEMF (AFMx)

Honorable Maame Ewusi-Mensah
Frimpong, Judge Presiding

**ELIZABETH YUNHONG ZOU'S
ANSWER AND COUNTERCLAIMS**

1 **I. ANSWER**

2 Defendant ELIZABETH YUNHONG ZOU (“Defendant”), through her
3 undersigned counsel, hereby answers Plaintiff/Counter-Defendant ACCU CASTING
4 CO. INC.(hereinafter “Plaintiff” or “ACCU”)’s First Amended Complaint and
5 asserts affirmative defenses as follows:

6 **THE PARTIES**

7 1. Admitted.

8 2. It is denied that Plaintiff owns the purported tools and molds, and that
9 Plaintiff has two foundries in China. Admitted as to the remainder of the paragraph.

10 3. It is admitted as to Defendant’s stock ownership in ACCU, her residency
11 in Maryland, and her titles as CFO and director of ACCU. Defendant lacks sufficient
12 personal knowledge or information to either admit or deny the remainder of this
13 paragraph.

14 4. Admitted.

15 5. Denied.

16 6. Defendant lacks sufficient personal knowledge or information to either
17 admit or deny this paragraph.

18 7. Defendant lacks sufficient personal knowledge or information to either
19 admit or deny this paragraph.

20 8. Defendant lacks sufficient personal knowledge or information to either
21 admit or deny this paragraph.

22 **JURISDICTION AND VENUE**

23 9. Admitted this Action arises under, *inter alia*, federal trademark law but
24 denies that she violates such law or any other law or causes of action.

25 10. Defendant lacks sufficient personal knowledge or information to either
26 admit or deny this paragraph.
27
28

11. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, however, Defendant denies the allegation in this paragraph.

12. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, however, Defendant denies the allegation in this paragraph.

13. This paragraph states a legal conclusion to which no response is required. To the extent a response is required, however, Defendant denies the allegation in this paragraph.

BACKGROUND FACTS

14. Denied.

15. It is admitted that Murillo formed ACCU with Defendant, his positions with ACCU and his stock ownership in ACCU. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

16. It is admitted that Defendant is a 50% shareholder and was the CFO and director of Plaintiff before she was forced out by Murillo. Defendant denies the remainder of this paragraph.

17. It is denied that Defendant has a purported “unilateral” ability with regards to Plaintiff’s funds. It is also denied that Defendant has the sole responsibility to maintain plaintiff’s books and records. Admitted as to the remainder of the paragraph.

18. Admitted as to the existence of the 8-25-21 meeting. Defendant denies the remainder of the allegation in this paragraph.

19. It is denied that the purported Exhibit A accurately memorializes what was discussed by Defendant and Murillo. It is further denied that Defendant made no comment to Exhibit A. Admitted that Murillo sent Exhibit A to Defendant.

20. It is denied that Defendant confirmed the purported resignation in her email to Murillo. Admitted as to content of the email in Exhibit B.

1 21. Denied.

2 22. Denied.

3 23. Denied.

4 24. Denied that Plaintiff owns or utilizes any purported trademark. Defendant

5 lacks sufficient personal knowledge or information to either admit or deny the

6 remainder of this paragraph.

7 25. Denied that Plaintiff owns or utilizes any purported trademark. It is also

8 denied that Plaintiff owns the purported tools. It is also denied that Defendant lacks

9 sufficient personal knowledge or information to either admit or deny the remainder

10 of this paragraph.

11 26. Admitted that Imperial is Plaintiff's customer. Defendant lacks sufficient

12 personal knowledge or information to either admit or deny the remainder of this

13 paragraph.

14 27. It is denied that Plaintiff owns the purported tools and molds. Defendant

15 lacks sufficient personal knowledge or information to either admit or deny the

16 remainder of this paragraph.

17 28. Defendant lacks sufficient personal knowledge or information to either

18 admit or deny this paragraph.

19 29. Denied.

20 30. Denied.

21 31. Denied as to the allegation of this Defendant. Defendant lacks sufficient

22 personal knowledge or information to either admit or deny the remainder of this

23 paragraph.

24 32. Denied.

25 33. Denied.

26 34. Denied.

27 35. Denied.

28

1 36. It is admitted as to: (a) the referenced Citi bank account was opened for
2 Plaintiff, funded with Plaintiff's funds with Defendant designated as the sole
3 signatory; (b) an agreement was reached by Defendant and Murillo that the fund for
4 both dividend checks are to be deposited into a bank account under Plaintiff's name;
5 and (c) Defendant and Murillo agreed to issue \$60k in dividend to each of Plaintiff's
6 shareholders in August 2021. Defendant denies the remainder of this paragraph.

7 37. Denied.

8 **FIRST CAUSE OF ACTION**

9 38. This paragraph incorporates by reference previous allegations and thus no
10 response is required. To the extent a response is required, however, Defendant
11 incorporates by reference all of her answers to Plaintiff's previous allegations.

12 39. Defendant admits this claim is based on the Lanham Act but denies that
13 she violates such law or any other law or causes of action.

14 40. This paragraph states a legal conclusion to which no response is required.
15 To the extent a response is required, however, Defendant denies the allegation in this
16 paragraph.

17 41. This paragraph states a legal conclusion to which no response is required.
18 To the extent a response is required, however, Defendant denies the allegation in this
19 paragraph.

20 42. Denied as to the allegation of this Defendant. Defendant lacks sufficient
21 personal knowledge or information to either admit or deny the remainder of this
22 paragraph.

23 43. Defendant lacks sufficient personal knowledge or information to either
24 admit or deny this paragraph.

25 44. Denied as to the allegation of this Defendant. Defendant lacks sufficient
26 personal knowledge or information to either admit or deny the remainder of this
27 paragraph.

1 45. Denied as to the allegation of this Defendant. Defendant lacks sufficient
2 personal knowledge or information to either admit or deny the remainder of this
3 paragraph.

4 46. Denied as to the allegation of this Defendant, and that Plaintiff owns any
5 trademark. Defendant lacks sufficient personal knowledge or information to either
6 admit or deny the remainder of this paragraph.

7 47. Denied.

8 48. Denied.

9 **SECOND CAUSE OF ACTION**

10 49. This paragraph incorporates by reference previous allegations and thus no
11 response is required. To the extent a response is required, however, Defendant
12 incorporates by reference all of her answers to Plaintiff's previous allegations.

13 50. Defendant admits this claim is based on the Lanham Act but denies that
14 she violates such law or any other law or causes of action.

15 51. Denied as to the allegation of this Defendant, and that Plaintiff owns any
16 trademark. Defendant lacks sufficient personal knowledge or information to either
17 admit or deny the remainder of this paragraph.

18 52. Denied as to the allegation of this Defendant. Defendant lacks sufficient
19 personal knowledge or information to either admit or deny the remainder of this
20 paragraph.

21 53. Denied as to the allegation of this Defendant, and that Plaintiff owns any
22 trademark. Defendant lacks sufficient personal knowledge or information to either
23 admit or deny the remainder of this paragraph.

24 54. Denied as to the allegation of this Defendant. Defendant lacks sufficient
25 personal knowledge or information to either admit or deny the remainder of this
26 paragraph.

55. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

56. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

THIRD CAUSE OF ACTION

57. This paragraph incorporates by reference previous allegations and thus no response is required. To the extent a response is required, however, Defendant incorporates by reference all of her answers to Plaintiff's previous allegations.

58. Defendant admits this claim is based on the Lanham Act but denies that she violates such law or any other law or causes of action.

59. Admitted.

60. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

61. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

62. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

63. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

64. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

65. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

66. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

FOURTH CAUSE OF ACTION

67. This paragraph incorporates by reference previous allegations and thus no response is required. To the extent a response is required, however, Defendant incorporates by reference all of her answers to Plaintiff's previous allegations.

68. Defendant admits this claim is based on the Lanham Act but denies that she violates such law or any other law or causes of action.

69. Denied.

70. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

71. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

72. Denied as to the allegation of this Defendant, and that Plaintiff owns any trademark. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

73. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

74. Denied as to the allegation of this Defendant. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

1 **FIFTH CAUSE OF ACTION**

2 75. This paragraph incorporates by reference previous allegations and thus no
3 response is required. To the extent a response is required, however, Defendant
4 incorporates by reference all of her answers to Plaintiff's previous allegations.

5 76. Denied.

6 77. Denied.

7 78. Denied.

8 79. Denied.

9 80. Denied.

10 81. Denied as to the allegation of this Defendant. Defendant lacks sufficient
11 personal knowledge or information to either admit or deny the remainder of this
12 paragraph.

13 82. Denied.

14 83. Denied as to the allegation of this Defendant. Defendant lacks sufficient
15 personal knowledge or information to either admit or deny the remainder of this
16 paragraph.

17 84. Denied as to the allegation of this Defendant. Defendant lacks sufficient
18 personal knowledge or information to either admit or deny the remainder of this
19 paragraph.

20 **SIXTH CAUSE OF ACTION**

21 85. This paragraph incorporates by reference previous allegations and thus no
22 response is required. To the extent a response is required, however, Defendant
23 incorporates by reference all of her answers to Plaintiff's previous allegations.

24 86. This paragraph states a legal conclusion to which no response is required.
25 To the extent a response is required, however, Defendant lacks sufficient personal
26 knowledge or information to either admit or deny this paragraph.

27 87. Denied.

1 88. Denied as to the allegation of this Defendant. Defendant lacks sufficient
2 personal knowledge or information to either admit or deny the remainder of this
3 paragraph.

4 89. Denied as to the allegation of this Defendant. Defendant lacks sufficient
5 personal knowledge or information to either admit or deny the remainder of this
6 paragraph.

7 **SEVENTH CAUSE OF ACTION**

8 90. This paragraph incorporates by reference previous allegations and thus no
9 response is required. To the extent a response is required, however, Defendant
10 incorporates by reference all of her answers to Plaintiff's previous allegations.

11 91. It is admitted that Defendant was Plaintiff's CFO and director before she
12 was forced out by Murillo. Defendant lacks sufficient personal knowledge or
13 information to either admit or deny the remainder of this paragraph.

14 92. Denied.

15 93. Denied.

16 94. Denied.

17 95. Denied.

18 96. Denied.

19 97. Denied.

20 98. Denied.

21 99. Denied.

22 100. Denied.

23 101. Denied.

24 102. Denied.

25 103. Denied.

EIGHTH CAUSE OF ACTION

104. This paragraph incorporates by reference previous allegations and thus no response is required. To the extent a response is required, however, Defendant incorporates by reference all of her answers to Plaintiff's previous allegations.

105. Admitted as to existence of the 8-25-21 meeting. Defendant denies the remainder of this paragraph.

106. Denied that Defendant made any false representation. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

107. Defendant lacks sufficient personal knowledge or information to either admit or deny this paragraph.

108. Admitted as to: (a) Defendant's positions in Plaintiff; and (b) Defendant speaks Chinese. Defendant denies the remainder of this paragraph.

109. Denied.

110. Denied.

111. Denied that Defendant interferes any supplier relationship. Defendant lacks sufficient personal knowledge or information to either admit or deny the remainder of this paragraph.

112. Admitted as to Defendant's positions in Plaintiff. Defendant denies the remainder of this paragraph.

113. Denied.

114. Denied.

115. Admitted as to Defendant's positions in Plaintiff. Defendant denies the remainder of this paragraph.

116. Denied.

117. Denied.

1 **NINTH CAUSE OF ACTION**

2 118. This paragraph incorporates by reference previous allegations and thus no
3 response is required. To the extent a response is required, however, Defendant
4 incorporates by reference all of her answers to Plaintiff's previous allegations.

5 119. Denied.

6 120. Denied.

7 121. Denied.

8 122. Denied.

9 123. Denied.

10 124. Denied.

11 **TENTH CAUSE OF ACTION**

12 125. This paragraph incorporates by reference previous allegations and thus no
13 response is required. To the extent a response is required, however, Defendant
14 incorporates by reference all of her answers to Plaintiff's previous allegations.

15 126. This paragraph states a legal conclusion to which no response is required.
16 To the extent a response is required, however, Defendant lacks sufficient personal
17 knowledge or information to either admit or deny this paragraph.

18 127. Denied as to the allegation of this Defendant. Defendant lacks sufficient
19 personal knowledge or information to either admit or deny the remainder of this
20 paragraph.

21 128. Denied as to the allegation of this Defendant. Defendant lacks sufficient
22 personal knowledge or information to either admit or deny the remainder of this
23 paragraph.

24 129. Denied as to the allegation of this Defendant. Defendant lacks sufficient
25 personal knowledge or information to either admit or deny the remainder of this
26 paragraph.

1 130. Denied as to the allegation of this Defendant. Defendant lacks sufficient
2 personal knowledge or information to either admit or deny the remainder of this
3 paragraph.

4 131. Denied as to the allegation of this Defendant. Defendant lacks sufficient
5 personal knowledge or information to either admit or deny the remainder of this
6 paragraph.

7 132. Denied.

8 **ELEVENTH CAUSE OF ACTION**

9 133. This paragraph incorporates by reference previous allegations and thus no
10 response is required. To the extent a response is required, however, Defendant
11 incorporates by reference all of her answers to Plaintiff's previous allegations.

12 134. Denied as to the allegation of this Defendant. Defendant lacks sufficient
13 personal knowledge or information to either admit or deny the remainder of this
14 paragraph.

15 135. Denied as to the allegation of this Defendant, and that Plaintiff owns the
16 purported tools and molds. Defendant lacks sufficient personal knowledge or
17 information to either admit or deny the remainder of this paragraph.

18 136. Denied.

19 137. Denied as to the allegation of this Defendant, and that Plaintiff owns the
20 purported tools and molds. Defendant lacks sufficient personal knowledge or
21 information to either admit or deny the remainder of this paragraph.

22 138. Denied.

23 139. Denied.

24 **TWELFTH CAUSE OF ACTION**

25 140. This paragraph incorporates by reference previous allegations and thus no
26 response is required. To the extent a response is required, however, Defendant
27 incorporates by reference all of her answers to Plaintiff's previous allegations.

1 141. This paragraph states a legal conclusion to which no response is required.
2 To the extent a response is required, however, Defendant lacks sufficient personal
3 knowledge or information to either admit or deny this paragraph.

4 142. It is admitted that the referenced Citi bank account was opened for
5 Plaintiff with Plaintiff being the owner of the account, and funded with Plaintiff's
6 funds; and (b) Defendant is the sole signatory to the account. Defendant denies the
7 remainder of this paragraph.

8 143. Denied.

9 144. This paragraph states a legal conclusion to which no response is required.
10 To the extent a response is required, however, Defendant lacks sufficient personal
11 knowledge or information to either admit or deny this paragraph.

12 145. This paragraph states a legal conclusion to which no response is required.
13 To the extent a response is required, however, Defendant lacks sufficient personal
14 knowledge or information to either admit or deny this paragraph.

15 **THIRTEEN CAUSE OF ACTION**

16 146. This paragraph incorporates by reference previous allegations and thus no
17 response is required. To the extent a response is required, however, Defendant
18 incorporates by reference all of her answers to Plaintiff's previous allegations.

19 147. This paragraph states a legal conclusion to which no response is required.
20 To the extent a response is required, however, Defendant lacks sufficient personal
21 knowledge or information to either admit or deny this paragraph.

22 148. Denied.

23 149. Denied.

24 150. This paragraph states a legal conclusion to which no response is required.
25 To the extent a response is required, however, Defendant lacks sufficient personal
26 knowledge or information to either admit or deny this paragraph.

1 151. This paragraph states a legal conclusion to which no response is required.
2 To the extent a response is required, however, Defendant lacks sufficient personal
3 knowledge or information to either admit or deny this paragraph.

4 **Prayer for Relief**

5 Defendant lacks sufficient information or personal knowledge at this time to
6 either admit or deny the allegations as to whether Plaintiff has been damaged in any
7 conceivable way or by which Defendant. To the extent a response is necessary to
8 Plaintiff's jury demand or prayer for relief, it is denied that Plaintiff is entitled to a
9 judgment or any the requested judicial relief alleged under this section.

10 **II. AFFIRMATIVE AND OTHER DEFENSES**

11 Defendant ELIZABETH YUNHONG ZOU ("Defendant") asserts the
12 following defenses, without regard to whether they are "affirmative" defenses or
13 matters as to which Defendant has the burden of proof:

14 **First Defense**

15 1. Plaintiff's claims are barred in whole or in part because it fails to state a
16 claim upon which relief can be granted.

17 **Second Defense**

18 2. Plaintiff's claims are barred in whole or in part because it failed to join one
19 or more indispensable Parties as required by Fed. R. Civ.P. 19.

20 **Third Defense**

21 3. Plaintiff's claims are barred in whole or in part because it lacks standing to
22 assert the claims and/or because the claims are more properly asserted by another.

23 **Fourth Defense**

24 4. Plaintiff's claims are barred in whole or in part because it is estopped by its
25 own or its agents' acts or omissions from maintaining proper claims against
26 Defendant.

1 **Fifth Defense**

2 5. Plaintiff's claims are barred in whole or in part because it and/or its agents
3 waived their right to relief, if any.

4 **Sixth Defense**

5 6. Plaintiff's claims are barred in whole or in part because Plaintiff's claims
6 are untimely under the applicable statutes of limitations and/or are barred by the
7 doctrine of laches because Plaintiff's claims are unjustifiably delayed, to Defendant's
8 prejudice, in bringing suit and/or seeking the relief sought.

9 **Seventh Defense**

10 7. Plaintiff's claims are barred because Plaintiff has suffered no damages or
11 otherwise been harmed by any conduct of Defendant.

12 **Eighth Defense**

13 8. Plaintiff's claims are barred in whole or in part because Plaintiff, through its
14 actions or actions of its agents, have unclean hands.

15 **Ninth Defense**

16 9. Plaintiff's damages, if any, resulted from an intervening and/or superseding
17 cause and, therefore, Defendant did not cause said damages.

18 **Tenth Defense**

19 10. Plaintiff's claims are barred in whole or in part because Plaintiff is not
20 entitled to the damages or other relief sought.

21 **Eleventh Defense**

22 11. Plaintiff claims are barred in whole or in part because to the extent any
23 harm to Plaintiff occurred, which Defendant denies, such harm was caused, if at all,
24 by the conduct of one or more others and such others are either solely responsible for
25 such acts and conduct, or alternatively, Defendant is entitled to be defended and
26 indemnified by such others.
27
28

1 **Twelfth Defense**

2 12. Plaintiff's claims are barred in whole or in part under the doctrine of res
3 judicata.

4 **Thirteenth Defense**

5 13. Plaintiff's claims are barred in whole or in part under the doctrine of
6 collateral estoppels. This defense is alleged in the alternative and does not admit any
7 of the allegations contained in the First Amended Complaint.

8 **Fourteenth Defense**

9 14. Plaintiff's claims are barred in whole because Defendant's conduct was at
10 all times made in good faith, engaged in without malice, and was privileged and
11 justified.

12 **Fifteenth Defense**

13 15. Plaintiff is not entitled to injunctive relief because any alleged injury is
14 not immediate or irreparable and Plaintiff has an adequate remedy at law.

15 **Sixteenth Defense**

16 16. Plaintiff is not entitled to any relief under the law because its purported
17 mark was not a trademark, and never commercially utilized as a trademark.

18 **Seventeenth Defense**

19 17. Plaintiff's trademark is unenforceable by because the mark itself is
20 functional in nature and lacks the requisite distinctiveness.

21 **Eighteenth Defense**

22 18. Plaintiff's trademark is unenforceable by reason of unclean hands and
23 trademark misuse, in that Plaintiff has brought this suit for the improper purpose of
24 squelching competition.

25 **Nineteenth Defense**

26 19. Plaintiff is barred from recovery in this action by reason of the fact that it
27 willingly and voluntarily consented, expressly and implicitly, to any such acts or
28 conduct as may be shown on the part of defendant.

1 Defendant reserves all affirmative defenses available under Rule 8(c) of the
2 Federal Rules of Civil Procedure, and any other defenses, at law or in equity, that
3 may be available now or in the future based on discovery or any other factual
4 investigation.

5 **III. VERIFIED COUNTERCLAIMS**

6 1. Defendant/Counterclaimant ELIZABETH YUNHONG ZOU
7 (“Counterclaimant”) alleges her verified counterclaims against Plaintiff/Counter-
8 Defendant ACCU CASTING CO. INC.(“ACCU”) and Counter-Defendant
9 RAYMOND G. MURILLO, as follows:

10 **The Parties**

11 2. Counterclaimant is and was, at all times relevant to this case, an individual
12 residing in the State of Maryland.

13 3. ACCU is and was, at all times relevant to this case, a corporation registered
14 and existing under the laws of California, with its principal place of business in Santa
15 Fe Springs, California.

16 4. Counter-Defendant RAYMOND G. MURILLO(“G. MURILLO”) is and
17 was, at all times relevant to this case, an individual residing in the State of California.

18 **Nature of the Counterclaims and Jurisdiction**

19 5. The Court has jurisdiction of this counterclaim under 28 U.S.C. §§ 1331,
20 1338, 1367, and 2201.

21 6. Counterclaimant’s claims arise from the violations of law, including
22 breach of fiduciary duty and breach of contract, that caused damages to her.

23 7. The Court has personal jurisdiction over ACCU because it has subjected
24 itself to the jurisdiction of this Court by filing the First Amended Complaint.

25 8. The Court has personal jurisdiction over G. MURILLO because G.
26 MURILLO committed many of the alleged unlawful conduct against
27 Counterclaimant in this judicial district.
28

9. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) given that ACCU maintain its principle places of business in this judicial district, and that G. MURILLO committed many of the alleged unlawful conduct against Counterclaimant in this judicial district.

Background Facts

ACCU's Formation

10. ACCU was formed by Counterclaimant and G. MURILLO in 2014.

11. ACCU was formed mainly because of Mr. Zhijun Li, an experienced sourcing agent and buyer in China. Counterclaimant was encouraged by Mr. Li to get into the restaurant parts wholesale business because Mr. Li connection and experience with manufactories in China that would help secure goods at cost. In fact, Given the nature of the product(i.e., restaurant equipment parts), customers in this field are extremely sensitive to price.

12. In October 2014, Mr. Li, along with his daughter, entered into a written contract entitled “Corporation Agreement” with ACCU which ACCU agrees to pay Mr. Li sales commission. In return, Mr. Li agrees to “arrange factories for production”, “arrange shipment” and to pay for molds and samples of restaurant equipment parts. Attached Exhibit A is a true and correct copy of the Corporation Agreement signed by Counterclaimant, G. MURILLO, Mr. Li and his daughter.

13. Since ACCU's inception, Mr. Li is responsible for sourcing(selecting and engaging competent manufactories), exportation(from China to U.S.) and communication with manufactory he selected. Because Mr. Li was ACCU's liaison with the manufactories in China, neither Counterclaimant or G. MURILLO had access or direct communication with manufactories selected by Mr. Li.

14. Over the years, how ACCU normally operates is that when a potential client requested certain types and amounts of equipment parts, ACCU, through Counterclaimant and/or G. MURILLO, would contact its China agent/buyer Mr. Li and order the goods from him. After the goods were made and arranged shipment to

1 California, the goods would be delivered to a warehouse managed by G. MURILLO's
2 longtime friend, Hector Aguirre. From there, ACCU's customers would then pick up
3 the goods.

4 15. From 2014 to the time she was wrongfully excluded by G. MURILLO
5 from the company, Counterclaimant expended substantial time, devotion and efforts
6 in ACCU. Due to the time difference, Counterclaimant often had to work until
7 midnight to process orders with Mr. Li who resides in China. To ensure the
8 company's financial stability, Counterclaimant's starting salary from ACCU was
9 \$500 a month.

10 **Mr. Li's Retirement**

11 16. In or about early August 2021, Counterclaimant was informed that Mr. Li
12 is retiring and would no longer continue supply goods to ACCU. Counterclaimant
13 was also informed that the selected factory in China is no longer interested in working
14 with ACCU because of low margin and job difficulty.

15 17. After being advised by Mr. Li, Counterclaimant discussed with G.
16 MURILLO about ACCU's future given the lack of access and ability to directly
17 communicate with manufactory in China.

18 **G. MURILLO's Reached an Agreement to Buy Counterclaimant Out**

19 18. On August 25, 2021, Counterclaimant met with G. MURILLO in person.
20 During the meeting, G. MURILLO proposed to purchase Counterclaimant's 50%
21 shares in ACCU because he purportedly has resources for other suppliers in China.

22 19. Pursuant to G. MURILLO's representation, Counterclaimant and G.
23 MURILLO reached an oral agreement in which Counterclaimant and G. MURILLO
24 agree to split ACCU's cash reserves by 50-50 after ACCU collects remaining
25 receivable and payment from shipment ACCU21-001 through ACCU21-024, which
26 was the last shipment supplied by Mr. Li for ACCU. In return, G. MURILLO would
27 purchase Counterclaimant's 50% shares in ACCU.
28

1 20. On August 26, 2021, Counterclaimant and G. MURILLO agreed that each
2 should receive a \$60,000.00 dividend from ACCU, which was confirmed via email
3 by G. MURILLO in writing. Attached Exhibit B is a true and correct copy of the
4 parties' email re: \$60,000.00 dividend.

5 21. Relying on the agreement reached with G. MURILLO, Counterclaimant
6 took steps to assign her responsibilities in ACCU to G. MURILLO.

7 **G. MURILLO's Actions Taken to Force Out Counterclaimant from ACCU**

8 22. Notwithstanding the oral agreement reached, G. MURILLO quickly
9 changed his course of action by undertaking various actions against Counterclaimant.
10 These actions were undertaken by G. MURILLO for purposes of taking full control
11 of ACCU and more importantly, ACCU's cash reserves in excess of \$900k.

12 23. In early September 2021, despite already being provided with the
13 manufactory information from Mr. Li, G. MURILLO falsely accused
14 Counterclaimant of not providing the manufactory information in an email sent to
15 ACCU's biggest customer, Imperial. G. MURILLO's reckless action exposed ACCU
16 and weakened the customer's confidence since G. MURILLO openly admitted to
17 Imperial that ACCU could not communicate with its manufactory.

18 24. In October 2021, G. MURILLO secretly opened a new bank account with
19 J.P Morgan Chase, naming himself as the sole owner and signatory. G. MURILLO
20 funded this account with ACCU's cash reserves as well as payments from ACCU's
21 customers. G. MURILLO made and continues to make suspicious withdrawals from
22 this account. All these actions were done by G. MURILLO without: (a) proper
23 authority from ACCU's board of directors; and (b) notice, consent or authorization
24 of Counterclaimant.

25 25. Even worse, G. MURILLO has unreasonably and continues to block
26 Counterclaimant's access to ACCU. As a result, Counterclaimant was stripped of her
27 authority, control and access to ACCU without any legal or due process. As a result,
28 G. MURILLO has and continues to make unauthorized withdrawals from ACCU's

1 case reserve under the disguise of purported bonus, dividend and/or salary, while
2 depriving Counterclaimant from dividend and profit sharing despite
3 Counterclaimant's 50% share ownership in the company.

4 26. On December 2, 2021, after months of preparation, G. MURILLO filed a
5 lawsuit in Los Angeles County Superior Court, Case No. 21STCP03957. The lawsuit
6 ended with G. MURILLO's dismissal of his third amended complaint.

7 27. On January 7, 2022, G. MURILLO, filed a statement of information with
8 the California Secretary of State naming himself as the sole officer and director of
9 the ACCU. The document conspicuously omits Counterclaimant's name from the list
10 of directors and officers. The board of director never voted on this decision and
11 Counterclaimant never consented.

12 28. As such, G. MURILLO improperly and wrongfully removed
13 Counterclaimant as an officer and director from ACCU without any votes, consent,
14 or court order. Attached Exhibit C is a true and correct copy of the January 7, 2022
15 Statement of Information.

16 **G. MURILLO Refused to Provide ACCU's Books and Records**

17 29. On February 4, 2022, G. MURILLO, through his attorney, attempted to
18 further block Counterclaimant from accessing ACCU by formally demanding
19 Counterclaimant not to access any information of ACCU, despite her undisputed
20 status as ACCU's shareholder.

21 30. On February 16, 2022, Counterclaimant, through counsel, sent a formal
22 request to ACCU requesting to review ACCU's books and records. No compliance
23 was ever made by ACCU or G. MURILLO.

24 31. To date, Counterclaimant has not received the books and records she
25 requested in February 2022.

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1 40. G. MURILLO breached his fiduciary duties, including the duties of
2 disclosure, loyalty, and care to Counterclaimant by engaging in the acts and
3 omissions alleged above, which includes, but is not limited to, (a) excluding
4 Counterclaimant from ACCU without proper authority, consent, or court order; (b)
5 refusing to provide books and records for inspection; and (c) making unauthorized
6 withdrawals from ACCU's case reserve under the guise of purported bonus,
7 dividend and/or salary, while depriving Counterclaimant from dividend and profit
8 sharing despite Counterclaimant's share ownership.

9 41. The wrongful conduct particularized herein was not due to an honest error
10 in judgment, but rather to G. MURILLO's gross mismanagement, bad faith and/or
11 reckless disregard of the rights and financial interests of Counterclaimant.

12 42. As a direct and foreseeable result of these breaches of fiduciary duty by
13 G. MURILLO, Counterclaimant has sustained damages in an amount according to
14 proof within the jurisdiction of this Court.

15 43. The aforementioned conduct was intentional on G. MURILLO, to thereby
16 deprive Counterclaimant of property and legal rights and otherwise cause injury and
17 was despicable conduct that subjected Counterclaimant to cruel and unjust hardship
18 and oppression in conscious disregard of her rights, so as to justify an award of
19 exemplary and punitive damages.

20 **COUNTERCLAIM COUNT THREE**

21 **Breach of Contract**

22 **(Against G. MURILLO)**

23 44. Counterclaimant re-alleges and incorporates by reference each and every
24 allegation set forth in paragraphs 1-43 above.

25 45. On August 25, 2021, Counterclaimant met with G. MURILLO in person.
26 During the meeting, G. MURILLO proposed to purchase Counterclaimant's 50%
27 shares in ACCU because he purportedly has resources for other suppliers in China.
28 Pursuant to G. MURILLO's representation, Counterclaimant and G. MURILLO

1 reached an oral agreement in which Counterclaimant and G. MURILLO agree to split
2 ACCU's cash reserves by 50-50 after ACCU collects remaining receivable and
3 payment from shipment ACCU21-001 through ACCU21-024, which was the last
4 shipment supplied by Mr. Li for ACCU. In return, G. MURILLO would purchase
5 Counterclaimant's 50% shares in ACCU.

6 46. Upon information and belief, Counterclaimant alleges that the condition
7 required by the oral agreement has occurred in that ACCU has collected payment
8 from shipment ACCU21-001 through ACCU21-024.

9 47. However, G. MURILLO has failed to abide by the terms of the agreement,
10 including by: (a) failing to maintain ACCU's case reserve for the agreed-upon split;
11 (b) improperly making various withdrawals from ACCU's case reserve, including
12 those deposited and/or transferred into the secret Chase bank account only accessible
13 to G. MURILLO; and (c) failing to purchase Counterclaimant's 50% shares in ACCU.

14 48. As a direct and foreseeable result of these breaches of the oral agreement
15 by G. MURILLO, Counterclaimant has sustained damages in an amount according
16 to proof within the jurisdiction of this Court.

17 **COUNTERCLAIM COUNT FOUR**

18 **For Involuntary Dissolution**

19 **(Against ACCU)**

20 49. Counterclaimant re-alleges and incorporates by reference each and every
21 allegation set forth in paragraphs 1-48 above.

22 50. Counterclaimant is 50% shareholder of ACCU, which represents more
23 than 33 1/3 percent of the equity of the corporation. Counterclaimant, thus, has
24 standing to seek involuntary dissolution of the company pursuant to California
25 Corporations Code § 1800.

26 51. Counterclaimant is informed and believe and based thereon allege that,
27 based on the facts alleged above, there is internal dissension in ACCU and two
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1 factions of shareholders in ACCU are so deadlocked that its business can no longer
2 be conducted with advantage to its shareholders. (Cal. Corp. Code § 1800(b)(3).)

3 52. Counterclaimant is also entitled to a decree of dissolution of ACCU on
4 the grounds that G. MURILLO has knowingly countenanced mismanagement and
5 abuse of authority, all as alleged herein. (Cal. Corp. Code § 1800(b)(4).)

6 53. Counterclaimant is informed and believe and based thereon allege that,
7 based on the facts alleged above, liquidation is reasonably necessary for the
8 protection of the rights and interests of Counterclaimant. (Cal. Corp. Code §
9 1800(b)(5).)

10 54. Thus, in order to protect the rights and interests of each of the Shareholder,
11 ACCU must be equitably dissolved in such a way that its asset is distributed fairly.

12 55. Counterclaimant is entitled to a decree winding up and dissolving ACCU
13 and distributing its assets as provided by law.

14 **PRAYER FOR RELIEF**

15 WHEREFORE, Counterclaimant seeks the following judgment from the
16 Honorable Court:

- 17 1. For a decree winding up and dissolving ACCU CASTING CO. INC.;
- 18 2. For damages in a sum to be determined according to proof, but in no event
19 less than the jurisdictional minimum of this Court;
- 20 3. That all property, assets, gains, profits, and advantages derived by Counter-
21 Defendants from their wrongful acts and other violations of law be deemed to
22 be held in constructive trust for the benefit of Counterclaimant;
- 23 4. That the court entertain such proceedings as may be necessary or proper for
24 the involuntary winding up or dissolution of ACCU CASTING CO. INC.
25 and, in that regard, make such orders for winding up and dissolution of
26 ACCU CASTING CO. INC. as justice and equity require;
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5. That Plaintiff/Counter-Defendant ACCU takes nothing by way of its First Amended Complaint;
6. For an award of exemplary and punitive damages;
7. For interest to the extent permitted by law;
8. For costs of suit; and
9. For such other and further relief as this Court deems just and proper.

DATED: October 14, 2022

L.A. COMMERCIAL ATTORNEY, APLC

By: /s/ Christopher D. Lee

Christopher D. Lee

Attorneys for Defendant ELIZABETH
YUNHONG ZOU

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I declare under penalty of perjury under the laws of the State of United States that the foregoing is true and correct.

Executed on October 14, 2022.

By: Elizabeth
ELIZABETH YUNHONG ZHOU